Government of Saskatchewan

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Weekly Cattle Market Update

For the Week Ending November 17, 2017

All prices are quoted in Canadian dollars per hundredweight ($/cwt) unless otherwise stated.

Saskatchewan Feeder Steer and Feeder Heifer Prices ($/cwt)								
Feeder Steers		**300-400**	**400-500**	**500-600**	**600-700**	**700-800**	**800-900**	**900+ lb.**
Nov. 17/2017	Average	**$284.78**	**$254.25**	**$229.94**	**$216.41**	**$207.94**	**$198.57**	**$188.15**
Nov. 17/2017	Range	**268-294**	**240-270**	**221-244**	**211-224**	**203-214**	**192-205**	**185-195**
week/week	Change	**$8.08**	**$1.43**	**$1.01**	-$0.12	-$3.42	-$4.31	-$0.18
Nov. 10/2017	Average	**$276.70**	**$252.82**	**$228.93**	**$216.53**	**$211.36**	**$202.88**	**$188.33**
Feeder Heifers		**300-400**	**400-500**	**500-600**	**600-700**	**700-800**	**800+ lb.**	
Nov. 17/2017	Average	**$230.33**	**$211.45**	**$199.06**	**$192.30**	**$188.40**	**$182.58**	
Nov. 17/2017	Range	**221-239**	**199-226**	**190-212**	**186-199**	**180-195**	**179-191**	
week/week	Change	**$0.61**	-$0.70	-$0.38	-$0.87	**$0.66**	-$0.17	
Nov. 10/2017	Average	**$229.72**	**$212.15**	**$199.44**	**$193.17**	**$187.74**	**$182.75**	

Source: Canadian data is provide by CanFax and cannot be redistributed without Canfax consent (www.canfax.ca)
Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Wednesday the current week. N.A. means not available due to lack of sufficient data.

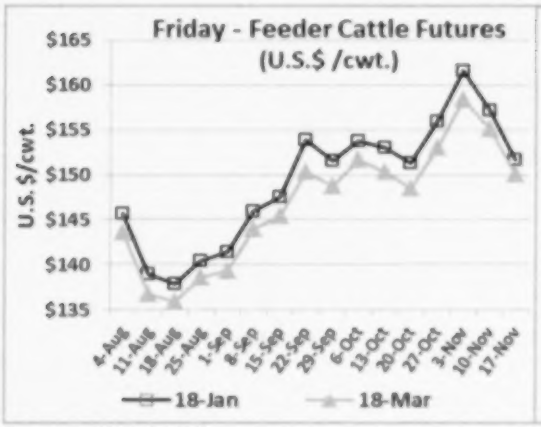
Canfax reported that a total of 52,216 head of cattle were sold in Saskatchewan this week, down from 53,665 head sold the previous week, but up from 35,119 head the same week a year ago.

Saskatchewan feeder steer prices were mixed over the week with price declines in the heavier weight categories. Saskatchewan feeder steer prices ranged between $4.31 per cwt lower to $8.08 per cwt higher over the week. The biggest price gains were in the light weight 300-400 lb. feeder steer weight category; while the largest losses in the 800-900 lb. feeder steer weight category. The 500-600 lb. feeder steer price increased $1.01 per cwt to average $229.94 per cwt.

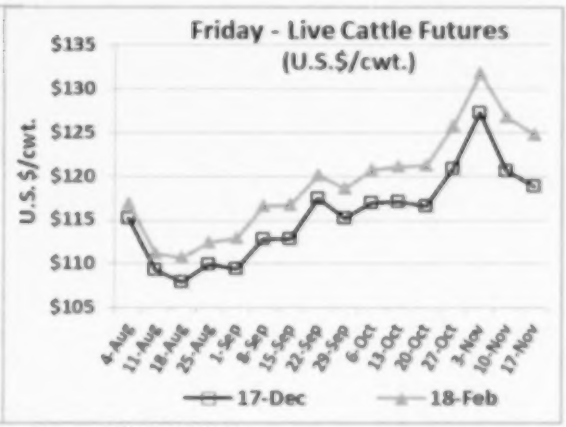
Saskatchewan feeder heifer prices were mixed but primarily lower over the week. Prices over the week ranged between $0.87 per cwt lower to $0.66 per cwt higher. The largest price decline was in the 600-700 lb. weight category; while the biggest gain in the 700-800 lb. weight category. Saskatchewan feeder cattle prices are provided by Canfax (#403-275-5110) or (www.canfax.ca) and cannot be redistributed without permission.

The Saskatchewan 750 lb. feeder steer basis compared to the Nov. 16, 2017, U.S. feeder cattle index at US$157.55 per cwt was calculated at (+$6.55) per cwt ($207.94 - US$157.55/0.7823, a basis weakening of $2.32 per cwt from the basis of (+$8.87) per cwt from the previous week.

Feeder cattle daily futures prices were mixed but primarily lower over the week with big losses on Tuesday and Friday to help push prices lower, week-over-week. The January feeder cattle contract declined US$5.45 per cwt to settle Friday at US$151.725 per cwt; while the March 2018 feeder cattle futures contract declined US$4.95 per cwt to settle Friday at US$155.075 per cwt.



Source: CME, LMIC



Source: CME, LMIC

Live daily cattle futures prices were mixed but primarily lower over the week to push prices lower, week-over-week. The nearby December contract declined US$1.725 per cwt to settle Friday at US$118.850 per cwt; while the February contract declined US$2.075 per cwt to settle Friday at US$124.675 per cwt.

Iowa cash corn prices settled Friday at US$2.99 per bushel, up three cents from US$2.96 per bushel the previous Friday. Daily corn futures were primarily lower over the week except for a large price increase on Friday to help minimize price declines, weak-over-week. The December corn contract declined a half cent to settle Friday at US$3.43 per bushel. The March 2018 corn contract declined almost two cents to settle Friday at US$3.55 per bushel.

Fed and Non-fed Cattle

	November 17, 2017	November 10, 2017	Week over Week
Steers (Alberta)			
Live	$147.46	$149.24	-$1.78
Rail	$244.00 to $247.00	$247.75 to $248.50	-$3.75 to-$1.50
Cows (Alberta)			
D1,2 Live	$87.33	$87.38	-$0.05
D3 Live	$77.33	$78.36	-$1.03
Rail	$168-173	$168-173	n/c

Source: Canfax. (n/a = not available, n/c = no change)

Prices for liveweight, non-fed cattle in Alberta were lower over the week. The price of D1,2 slaughter cows declined $0.05 per cwt to average $87.33 per cwt; while the price of D3 slaughter cows declined $1.03 per cwt to average $77.33 per cwt. Fed cattle prices for Alberta fed steers averaged $147.46 per cwt over the week, a decline of $1.78 per cwt from $149.24 per cwt the

previous week. Western Canadian slaughter cattle prices are provided by Canfax and cannot be redistributed without their permission. www.canfax.ca)

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at US$119.35 per cwt, down US$3.36 per cwt or 2.7 per cent from US$122.71 per cwt the previous week; but up 10.6 per cent from US$107.91 per cwt the same week a year ago. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US$189.31 per cwt, down US$2.31 per cwt from US$191.62 per cwt the previous week, but up 11.4 per cent from US$169.92 per cwt the same week a year ago.

The *Cattle on Feed Report* was released on Friday November 17, by the United States Department of Agriculture (USDA), for the November 1 inventory numbers.

November 1, 2016 and 2017, Cattle on Feed (in U.S. feedlots with 1,000+ capacity)

	2016	2017	Per cent of previous year
On feed October 1	10,256,000	10,813,000	105.4
Placed during October	2,171,000	2,393,000	110.2
Marketed during October	1,705,000	1,801,000	105.6
Other disappearance during October	57,000	73,000	128.1
On feed November 1	10,665,000	11,332,000	106.3

Source: USDA

The USDA Cattle on Feed (COF) report indicated that the number of cattle placed on feed in October 2017 was 2.393 million head, up just over 10 per cent from 2.171 million head in October 2016, and up over 11 per cent from 2.150 million head placed in September 2017. The number of fed cattle marketed in October 2017 was 1.801 million head, up 5.6 per cent from 1.705 million head in October 2016, and up one per cent from 1.783 million head marketed in September 2017. The October 2017 cattle placements were 110.2 per cent of the October 2016 numbers which were over three per cent higher than the average trade estimates (107.1 per cent). The cattle marketed in October 2017 were 105.6 per cent of the October 2016 numbers; which was slightly higher than the average trade estimates (105.4 per cent).

The USDA cattle on feed numbers for November 1, 2017 were 11.332 million head, 6.3 per cent above the November 2016 inventory numbers of 10.665 million head, and almost five per cent above the October 2017 numbers. The USDA year-over-year numbers were 106.3 per cent; less than one per cent higher than the average trade estimates (105.7 per cent). The November cattle inventory numbers were the highest inventory levels in almost five years (December 2012).

The USDA numbers were close to trade estimates except the cattle placed in October which was over three per cent higher than the average trade estimates. The cattle numbers will likely be viewed as negative for cattle markets with the higher October placement numbers and higher cattle in feedlots indicating increases in future cattle marketing numbers.

Beef production for the week was estimated at 528.2 million lb., up 2.8 per cent from 513.9 million lb. the previous week, but down 0.4 per cent from 530.1 million lb. the same week a year ago. Cattle slaughtered over the week were estimated at 639,000 head, up 2.6 per cent from 623,000 head the previous week, and up 1.6 per cent from 629,000 head the same week a year ago.

U.S. choice beef cutout prices (600-900 lb.) averaged US$210.22 per cwt over the week, down US$2.37 per cwt or 1.1 per cent from US$212.59 per cwt the previous week, but up 14.6 per cent from US$182.98 per cwt the same week a year ago.

Friday Price Information

Product		This Week (Nov. 17, 2017)	Week of: (Nov. 10, 2017)	Week of: (Nov. 18, 2016)
Canadian Dollar (closing rate US$)		.7823	.7885	.7400
U.S. Cash Cattle				
Thurs. Feeder Cattle (FC) Index (US$ per cwt)		157.55	159.38	127.00
Seven-day Weighted Average FC Index Wt. (lb.)		773	781	784
Live Fed 5-area Steer Price (US$ per cwt)		119.35	122.71	107.91
Feed Grains				
Barley	Lethbridge ($/tonne)	215.00	213.00	168.00
	($ per bu.)	4.68	4.64	3.66
Corn	Iowa State Average (CDN$/tonne)*	150.47	147.79	160.13
	(US$ per bu.)	2.99	2.96	3.01
	Omaha, NE (CDN$/tonne)*	156.51	151.78	160.66
	(US$ per bu.)	3.11	3.04	3.02
Futures				
	December Corn (US$ per bu.)	3.43	3.43 ½	3.45 ½
	March Corn (US$ per bu.)	3.55	3.56 ¾	3.53 ½
	December Live Cattle (US$ per cwt)	118.850	120.575	108.325
	February Live Cattle (US$ per cwt)	124.675	126.750	108.850
	Nov. Feeder Cattle (US$ per cwt)*expiry	157.775	158.475	127.000
	January Feeder Cattle (US$ per cwt)	151.725	157.155	124.975

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship.
Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News
* conversion to CDN$ is based on Friday's CDN$ closing rate.

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